

The Multidimensional role of Social Entrepreneurship: A case Study Approach Within an International Project Context

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Abstract: Social entrepreneurship creates social value and has a multidimensional impact (e.g. economic, environmental, cultural). This is related to the complexity and multidimensional approaches to current societal problems such as climatic changes and socioeconomic crises. The paper explores this multidimensionality by presenting three Portuguese case studies of social entrepreneurship operating in diverse domains. The study is based on primary and secondary data on the selected social enterprises. The analysis explores the motivations and constraints in forming a social enterprise and the impact of entrepreneurial activity. There is evidence of multiple roles played by these entrepreneurial agents, and, therefore, their critical role in the response to the problems that current societies face.

Keywords: social entrepreneurship, sustainable development, case study, Inspire project

1. Introduction

Current societal problems (e.g. climate change, social exclusion, and poverty) demand innovative and multidimensional answers. Social entrepreneurship presents important potentialities in this regard. Social entrepreneurs implement social innovation processes, enlarging the “economic and technological reading of the role of innovation in development to encompass a more comprehensive societal transformation of human relations and practices” (Moulaert & Nussbaumer, 2008, in MacCallum, 2009; Moulaert & Nussbaumer, 2005). With this in mind, the paper presents and compares three cases of social entrepreneurship that illustrate the multidimensional (economic, social, environmental, and cultural) impact of social entrepreneurship and its critical role in dealing with the complex and diverse challenges we face in the current context. The cases under analysis integrate an Erasmus+ project, Inspire (Social Entrepreneurs Network), whose primary goal is to create an inspiring learning HUB based on the identification of transferable practices aiming to support social entrepreneurship's development in different European countries. The paper uses a case study approach by analysing primary and secondary data obtained respectively through a structured questionnaire and from information taken from the websites of these social enterprises. The paper is organized as follows. The next section presents the relevant literature on the multidimensions of social entrepreneurship. Section 3 discusses the methodology, and Section 4 analyses the case studies. The last section of the paper concludes.

2. Literature review

Research on social entrepreneurship (SE) experienced significant growth after the 2008 crisis (Lehtimäki et al., 2021; Macke et al., 2018; Pinto et al., 2016; Rahdari et al., 2016; Sekliuckiene & Kisielius, 2015; Parente & Quintão, 2014; Phillips et al., 2015; Peredo & McLean, 2006). The explanation for this growth is due to the urgency of finding answers to complex social problems in a context of increasing economic liberalism and, in the case of Europe, the shrinking of the Welfare State. Research in this area shows that SE is a complex topic with different definitions and perspectives. To the seminal works on conventional entrepreneurship (e.g., Cantillon, Say, Schumpeter, and Drucker), the literature adds the names of Stevenson and Dees as presenting fundamental contributions to conceptualisation in this research area (Rahdari et al., 2016).

According to OECD, “social entrepreneurship is the process through which specific types of actors – the “social entrepreneurs” – create and develop organizations that may be either social enterprises or other types of organizations. It also designated a field including a broad set of initiatives with a social impact dimension in a spectrum ranging from for-profit to non-profits” (OECD, 2023). More recently, the European Commission defined a social enterprise as being “an operator in the social economy whose main objective is to have social impact rather than make a profit for their owners or stakeholders. It operates by providing goods and services for the market in an entrepreneurial and innovative fashion and uses its profits primarily to achieve social objectives. It is managed in an open and responsible manner and involves employees, consumers and stakeholders affected by its commercial activities” (European Commission, 2023).

In the case of Europe, Lehtimäki et al. (2021) claim that there are significant differences in the definitions of social businesses between nations and that not all of them have an official definition. According to Carnegie (2003, in Peredo & McLean, 2006), "social entrepreneurship is a multidimensional construct formed by the intersection of a number of defining characteristics". Pomerantz defines social entrepreneurship as "the development of innovative, mission-supporting, earned income, job creation or licensing, ventures undertaken by individual social entrepreneurs, nonprofit organizations, or nonprofits in association with for profits"(Pomerantz, 2003).

The conceptual diversity in this area of research is tributary to several lines of inquiry or perspectives on the topic. It is possible to identify two major schools: the European and the American. The first is anchored in the social economy tradition with new developments since the 1990s, namely through the solidarity economy approach (e.g., Defourny, 2014; Defourny & Nyssens, 2008). In this context, it should be highlighted that the European approach known as the Emergence of Social Enterprise in Europe (EMES) considers enterprises initiated by citizens to produce specific goods and services for communities as social enterprises. In the UK, for instance, enterprises are registered as Community Interest Companies (Lehtimäki, 2021: 170). It should also be noted that the growing European interest in the theme of SE in the 2000s corresponds to the development of a phenomenon that has its roots in the USA in the 1980s in the areas of economics and management (Parente & Quintão, 2014), that is, the American school. This, in turn, presents two trends: the business management school, focused on the economic sustainability of organizations; and the social innovation school, focused on the role of the entrepreneur as an economic and social actor. This approach addresses SE's social impact (Parente & Quintão, 2014), that is, the production of social transformation.

Despite the diversity of perspectives, there are some common elements in the conceptual design of SE, namely the identification of opportunities and the creation of social value. Regarding the first dimension, Parente & Quintão state that "opportunities are crucial for social entrepreneurs, since the concept may refer to the discovery, definition and exploitation of opportunities that improve social well-being through widespread access to quality products and services. Such opportunities arise from the creation or exploitation of discontinuities or changes, often unpredictable in social, economic, political, or technological structures" (Parente & Quintão, 2014: 28). In addition to the identification of opportunities and the creation of social value, the literature also proposes the consideration of other aspects, such as innovation, risk tolerance and the refusal to accept resource constraints for the action to be undertaken (Morris et al., 2011, in Rahdari et al, 2016; Phillips et al., 2014; Peredo & McLean, 2006), which can also be understood as resilience.

The European Union (EU) promotes cross-functional cooperation in its funded innovation projects, which are viewed as challenging collaborations to co-create knowledge. These requirements call for including several stakeholders in the co-creation of knowledge at all phases of the process (Vos, 2017). A substantial group of individuals from business, academia, government, and civil society—all of whom have extremely diverse backgrounds—often takes part in innovation initiatives financed by the EU. It can encourage imagination, inventiveness, and complex problem-solving.

Those characteristics involve multidimensionality, namely in SE impact. This multidimensional nature can be addressed in different ways: on the one hand, social problems are complex, presenting socioeconomic, cultural, and environmental dimensions. As Phillips et al. (2015) pointed out, "social entrepreneurship makes important contributions to a nation's social, economic, cultural, and environmental wealth" (Phillips et al., 2015: 4). Also, Pinto et al. refer that social entrepreneur skills generate "economic, social and environmental value for organizations and individuals" (Pinto et al., 2016: 35). The purpose, that is, the social value created by social entrepreneurship is, or tends to be, multidimensional, and this impact stems from the complex, multidimensional nature of social problems. On one hand, this growing complexity results from facts (e.g. economic crises, public health crises such as pandemics, and climate change) and, on the other hand, from the integration of societal and civilizational values (e.g. ecological and environmental values, gender equality), including the design and implementation of public policies in these multiple domains of social life. In this regard, it is interesting to note the growing approach to social entrepreneurship within the concept of sustainability in its three pillars (economic, social, environmental) (e.g., Lehtimäki et al., 2021) in a clear expression of the multidimensionality of the impact of social entrepreneurship. According to the authors, "social enterprises (...) run with a mission to create both social and economic value. They operate with a dual, social, economic, or even triple purpose if environmental value creation is included, as it is in a triple-bottom-line of sustainability" (Lehtimäki et al., 2021: 168). Like entrepreneurial activity in the conventional sense, social entrepreneurship deals with the increasing demands on environmental and ecological aspects. According to Lehtimäki et al. (2021), who present research on social entrepreneurship as an agency for sustainability, social entrepreneurs can solve

environmental problems more efficiently, albeit on a local scale, without a global impact. Before that, already Rahdari et al., who presented a proposal on “achieving sustainability through Schumpeterian social entrepreneurship”, had mentioned that SE is “one of the most powerful and practical tools to address and fulfilling social responsibilities of companies, since its primary objective is to solve societal problems which include problems that run the gamut from environmental and social challenges to economic predicaments created by businesses themselves” (Rahdari et al, 2016: 348). Macke et al. (2018) refer the following within their proposal for a social entrepreneurship research framework: “the discussion about the social role of entrepreneurship is linked to the concept of development, which can be understood as a network of concepts directly associated with adjective 'local', 'integrated' and 'sustainable' (Macke et al., 2018: 679).

To sum up, SE is being presented in the literature as a powerful tool within current sustainability challenges. SE addresses those challenges through the creation of social value, by responding, in an innovative way, to identified opportunities, that is, complex problems with a multidimensional nature. In the research presented, the multidimensionality of SE is identified by addressing three vectors/axes/lines: the contexts, main drivers, and impacts of the innovative responses to social problems of the selected case studies (table 1).

3. Methodology

The paper adopts a multiple-case study approach and compares three cases of SE in Portugal to illustrate the multidimensional impact of social entrepreneurship and its critical role in dealing with existing complex and diverse challenges. The multiple case study approach enables the identification of patterns and trends that may not be evident in a single case study (Yin, 2018).

The three cases under analysis integrate an Erasmus+ project, Inspire (Social Entrepreneurs Network), whose primary goal is to create an inspiring learning hub based on the identification of transferable practices aiming to support social entrepreneurship's development in different European countries. The project consortium chooses the course of action, which is outlined in the project proposal and subsequent plans. As a result of the consortium participants' ongoing interaction and collaboration on the project (Ruoslahti, 2018), new innovations may develop as a result of their workflow, knowledge sharing, and the development of new collaborative products such as courses, training materials, books, videos, guidelines, Moocs, digital courses, and case studies.

In order to co-create knowledge and innovation, collaboration with end users is required, and they should be actively involved (Ruoslahti, 2018). End users are usually involved in the initial project requirements development. They might also work on developing and testing the pilots' solutions (Henriksson et al., 2018). To manage and involve stakeholders throughout the project and to facilitate knowledge co-creation, the majority of projects create innovation networks or communities of practice or knowledge.

The cases were selected to capture social enterprises created to address different types of social problems: desertification of the Portuguese countryside, the inclusion of individuals with disabilities, and economic integration of regional communities and individuals at risk of social exclusion.

In order to ensure that the results are reliable and valid, data was collected from multiple sources. Primary data was collected through semi-structured interviews, conducted in September 2022. The interview schedule included questions on the history of the social enterprise, the entrepreneurial process and its challenges, and the impacts of its activity. The interviews were transcribed, and the transcriptions were sent back to the entrepreneurs to verify the accuracy of the process. Secondary data was collected from the social enterprises' websites and from other online sources (namely newspapers, and reports) for complementary and triangulation purposes.

Qualitative analysis of the interview transcriptions and secondary data was performed, by coding, considering the categories presented in the analytical framework.

4. Case studies

4.1 Brief description of social entrepreneurship cases

4.1.1 RuralVive: Supporting Rural Development and Combating Desertification Through Social Entrepreneurship in Portugal

RuralVive is a multisectoral cooperative founded in 2016 by Cristina Oliveira, its executive director, and a collective of social entrepreneurs. They aimed to promote rural development and combat the desertification of the Portuguese countryside by supporting local entrepreneurs. The enterprise contributes to the emergence of small businesses, job creation, and population settlement in the low-density territories where it operates, mainly Pampilhosa da Serra, Moura, and Mêda.

RuralVive answers to societal challenges through innovative solutions. In this process, it faces many obstacles related to funding that are overcome by attracting new clients since government support for social entrepreneurs is lacking in Portugal. It survives by seeking support from entities specialized in social entrepreneurship, creating a network of contacts, and being resilient.

4.1.2 *SEMEAR: Empowering Individuals with Disabilities Through Social Inclusion and Practical Training*

SEMEAR is a social inclusion project that provides practical training and social skills to young people and adults aged 18 to 45 with intellectual and developmental difficulties to help integrate them into the labor market. Joana Santiago, its founder and president, started the project in 2005 as a BIPP Association (BIPP is the Portuguese acronym for Information Bank from Parents to Parents) to provide information on existing resources to support the social inclusion of people with disabilities. SEMEAR was established in 2014 to promote the employability and socio-professional integration of young people and adults with intellectual and developmental difficulties, centered on three pillars: certified training, organic agricultural production, and transformation. SEMEAR developed business areas that accounted for 40% of the project's revenues in 2022.

The main challenges for SEMEAR have been financial sustainability, articulation and intermediation with companies, turnover of personnel, and adjustments to training methodologies to address the changing target audience. Partnerships with various public and private entities have been vital to SEMEAR's success.

4.1.3 *Social Entrepreneurs Agency (SEA): A Vehicle of Social Entrepreneurship and Individual Empowerment*

The Social Entrepreneurs Agency (SEA) was founded in 2007 by a collective of social entrepreneurs headed by Frederico Cruzeiro Costa. SEA is a multisectoral cooperative that aims to economically integrate local communities and people at risk of social exclusion through individual empowerment.

SEA has established projects that support the economic integration of regional communities and individuals in various locations. The Agency has developed and implemented new social entrepreneurship projects that aid in creating new jobs, income-generating activities, capacity building for individuals, and developing entrepreneurship skills for the labor market. With these activities, SEA contributes to social, environmental, cultural, and economic sustainability, favoring local and integrated development. To satisfy the demands of a labor market that is constantly changing, SEA seeks to socially innovate with solutions based on place- and people-centered tactics that have a significant positive social impact.

4.2 Discussion

The cases reflect a vision of SE, where the social enterprises were founded by citizens to produce specific goods and services for communities. They address complex social problems and aim for the creation of social value. RuralVive is focused on low-density territories and seeks to promote, support, and develop the endogenous potential of these territories by stimulating social entrepreneurship to combat depopulation and unemployment. SEMEAR aims to promote the integration of disabled people into the labor market through an innovative training approach and a strong network of partnerships. Through individual empowerment, SEA promotes the economic integration of local communities and people at risk of social exclusion. RuralVive and SEA are registered as cooperatives and SEMEAR is a non-profit association.

The founders of the SEs have identified the opportunities in different ways. RuralVive resulted from a mixture of personal motivation to create social impact through a non-profit organization and the exploitation of the results of research conducted during a master thesis. The SEA's founder also felt the appeal to create social impact ("to leave my mark, help others"), which was combined with the appeal to continue the family path in entrepreneurship and the competencies acquired through academic and professional trajectory. SEMEAR's had a quite different process: The motivation to create the BIPP association was born from a personal need to answer to a need felt by the founder: to obtain information on existing resources to support the social inclusion of people with disabilities. The association was created as a platform for parents, with the objective of providing information on the existing resources in Portugal. SEMEAR was an evolution of BIPP's initial activity, focusing on

actively promoting the employability and socio-professional integration of young people and adults with intellectual and developmental difficulties.

All entrepreneurs benefited from support to start the SEs, both in terms of financial and other types of resources. Networks and partnerships were relevant, as well as instructional support from national and international organizations (CASES, IEFP, European Union).

In terms of impacts, the multidimensionality of the SEs is quite evident. As mentioned before, they are all targeting complex social problems and therefore, social impacts are central. This social value is combined with the creation of economic value. For instance, SEMEAR has the ambition that the commercial activity related to the sale of food baskets (from their organic farming activity and transformation activities of food from the circular economy) and other products (mainly ceramics produced by trainees) and from providing certified training programs would represent 80% of their revenues by the end of 2023 (the remaining 20% coming from donations and quotations of the members of the association). All SEs also have an environmental dimension. RuralVive and SEA incorporate the environmental aspect in projects to create new businesses they support. SEMEAR is involved in the promotion of organic farming and in the circular economy (use of food from other farms, combating food waste).

Table 2 provides a systematization of the results considering the analytical dimensions.

Table 2 – cases study analysis

Case/analytical dimensions	Case 1 RuralVive	Case 2 SEMEAR	Case 3 SEA
Context (territory, formal nature)	<ul style="list-style-type: none"> Established in 2016 following the research work for a master's thesis Cooperative Operates in the Portuguese low-density territories Depopulation, unemployment 	<ul style="list-style-type: none"> Established in 2014 as a social business of BIPP – a non-profit association Non-profit association Located in the Lisbon Metropolitan Area, its activity is extended to Portugal as a whole, Europe, and Africa Social inclusion of disabled people 	<ul style="list-style-type: none"> Established in 2007 as a passion of its founder Cooperative Located in Cascais Operates in continental Portugal Promotion of inclusive entrepreneurship
Main drivers	<ul style="list-style-type: none"> Addressing social and economic issues Personal motivation (creating social impact through a non-profit organization) Availability of resources (technical support from SEA and European funding) 	<ul style="list-style-type: none"> Finding a solution to a problem felt by the main founder Addressing an unmet need (social inclusion, employability of people with disabilities) Make a positive impact on the community Support from Arqcoop and CASES Small but financially sustainable business activities 	<ul style="list-style-type: none"> A desire to create a social project to help others Leave a mark Positively impact the community Entrepreneurial skills (the main founder wanted to create his own job) Youth support for the creation of cooperatives, financial and technical support from CASES and IEFP, self-funded
Main outcomes/impacts?	<ul style="list-style-type: none"> Promotion and development of the endogenous potential of territories Local and regional economic and social development of low-density territories Developing income-generating activities (family agriculture, rural 	<ul style="list-style-type: none"> Social inclusion of young people and adults aged 18 to 45 with intellectual and developmental difficulties Integration of disabled people into the labor market Creation of a new brand based on three pillars: certified training, organic 	<ul style="list-style-type: none"> Economic integration of local communities and people at risk of social exclusion Creation of local micro-businesses initiatives Reintegration into the labor market of young people and adult, residents in Portugal who are involuntarily unemployed or underemployed

	<p>tourism, crafts, and culture)</p> <ul style="list-style-type: none"> • Providing individual training and developing entrepreneurial skills 	<p>agricultural production, and transformation</p> <ul style="list-style-type: none"> • Revenues from business activities represented around half of the total revenue in 2022 	<ul style="list-style-type: none"> • Community Revitalization
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5. Conclusion

This study aimed to identify and understand how social entrepreneurship practices impact multiple dimensions of society. To achieve this goal, a qualitative research methodology was chosen, combining primary data to identify the actual context experienced and felt by social entrepreneurs in the implementation and development of their project, with secondary data retrieved from disclosure websites of case studies.

Social entrepreneurs highlighted how they were compelled to start a social business by their need to address a societal gap/problem that they themselves experienced. The SE they have built to provide social value has a positive effect on the community by providing goods and services not made available by the market economy while being concerned with preserving local and regional cultural habits and promoting sustainable production practices. The data obtained allowed us to confirm a central aspect addressed by the literature, that is, social value as the main driver of social entrepreneurship. It was also possible to note other aspects stressed by the literature on social entrepreneurship, such as resilience to risk. The three cases have multidimensional impacts on the territories and communities envisaged by their intervention. We can conclude that the concern with sustainability in its three pillars is at the core of the vision, objectives, and activities of the social enterprises addressed in the research.

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